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UNIVERSITY OF VIRGINIA
THE COLGATE DARDEN GRADUATE SCHOOL OF BUSINESS ADMINISTRATION
Tayloe Murphy Institute

Virginia Annual Gross State Product, 1958-1983

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This publication provides estimates of and highlights long-term trends of Virginia Gross State Product (GSP). Annual data are published each year with a lag of one year due to the delay in receiving national and state data. The figures in this report supersede those published in earlier reports of the Tayloe Murphy Institute.

Gross state product (GSP) is an estimate of the value of all goods and services produced in the state in one year. For purposes of comparison, GSP may be regarded as the state equivalent of gross national product (GNP). In current dollars (unadjusted for inflation), Virginia GSP rose from $8.1 billion in 1958 to $74.3 billion in 1983. (See Table 1.) While average annual growth over the entire period was 9.2 percent,1/ from 1982 to 1983 current dollar GSP increased 9.5 percent. This increase was not only greater than Virginia's average annual growth but also greater than the 7.7 percent rise in GNP for the 1982 to 1983 period.

Real Virginia GSP (gross state product converted to 1972 dollars of constant purchasing power) grew from $12.9 billion in 1958 to $34.4 billion in 1983. (See Table 2 and Figure 1.) Average annual growth over the 1958 to 1983 period was 4.0 percent. Virginia experienced declines in real GSP occurring 1969-70, 1974-75, and 1979-80, and coinciding with three national recessions. However, Virginia did not experience declines during two other national recessions, in 1960-61 and in 1980. From 1982 to 1983 real GSP rose 4.3 percent; the increase in real GNP for the same period was 3.7 percent.

Virginia's current dollar GSP as a percent of GNP is shown in Figure 2. When the rate of growth of GSP exceeds that of GNP, Virginia's share of GNP increases. In 1983, GSP was 2.25 percent of GNP, the largest that it has ever been. Virginia's share of GNP has been rising from its 1960 low of 1.78 percent, with most of the gain occurring from 1966 to 1974 and from 1980 to 1983.

Manufacturing, federal government, services, trade, and finance, insurance, and real estate are the industrial sectors that have the largest shares of current dollar Virginia GSP. (See Figure 3 and Table 3.) Manufacturing accounts for the largest percentage of current dollar GSP, dropping from a high of 24.3 percent in 1959 to a low of 17.6 percent in 1982. Federal government reached its high of 17.5 percent of GSP in 1969, then declined to a low of 12.6 percent in 1979. Services rose from a low of 10.0 percent in 1958 to reach a high of 16.2 percent in 1983. Trade ranged from a low of 14.2 percent in 1958 to a high

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1/ All growth rates were computed using the least squares method.

Figure 1.
Virginia Gross State Product, 1958-1983 (billions of 1972 dollars)

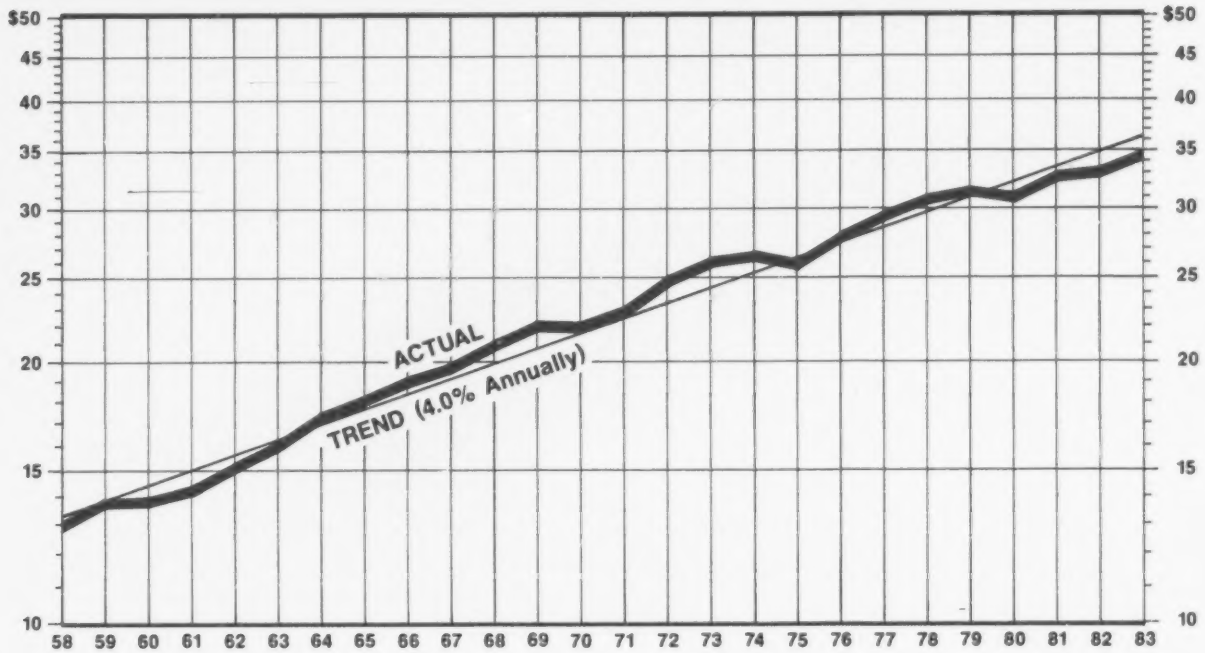


Figure 2.
Virginia GSP as a Percent of GNP, 1958-1983 (current dollars)

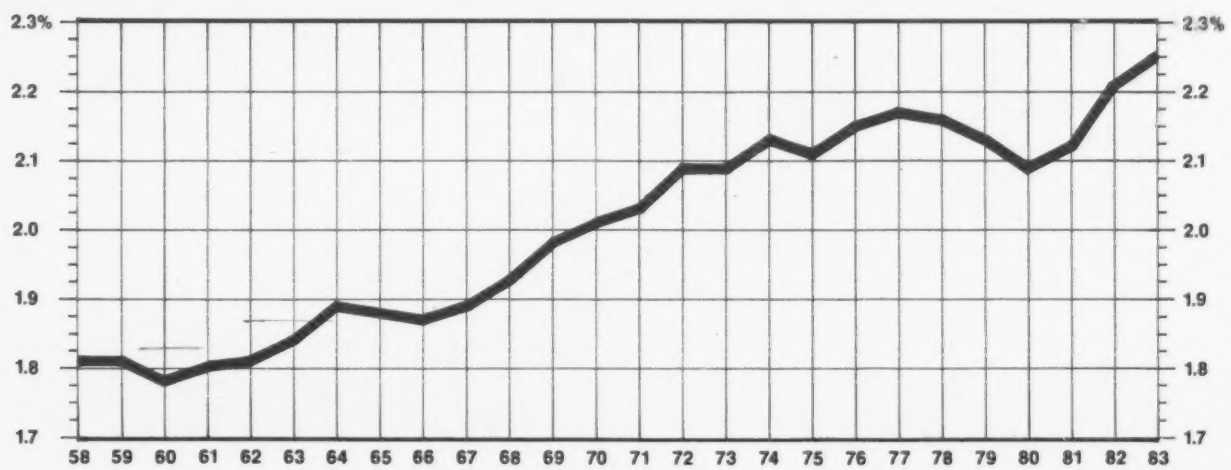
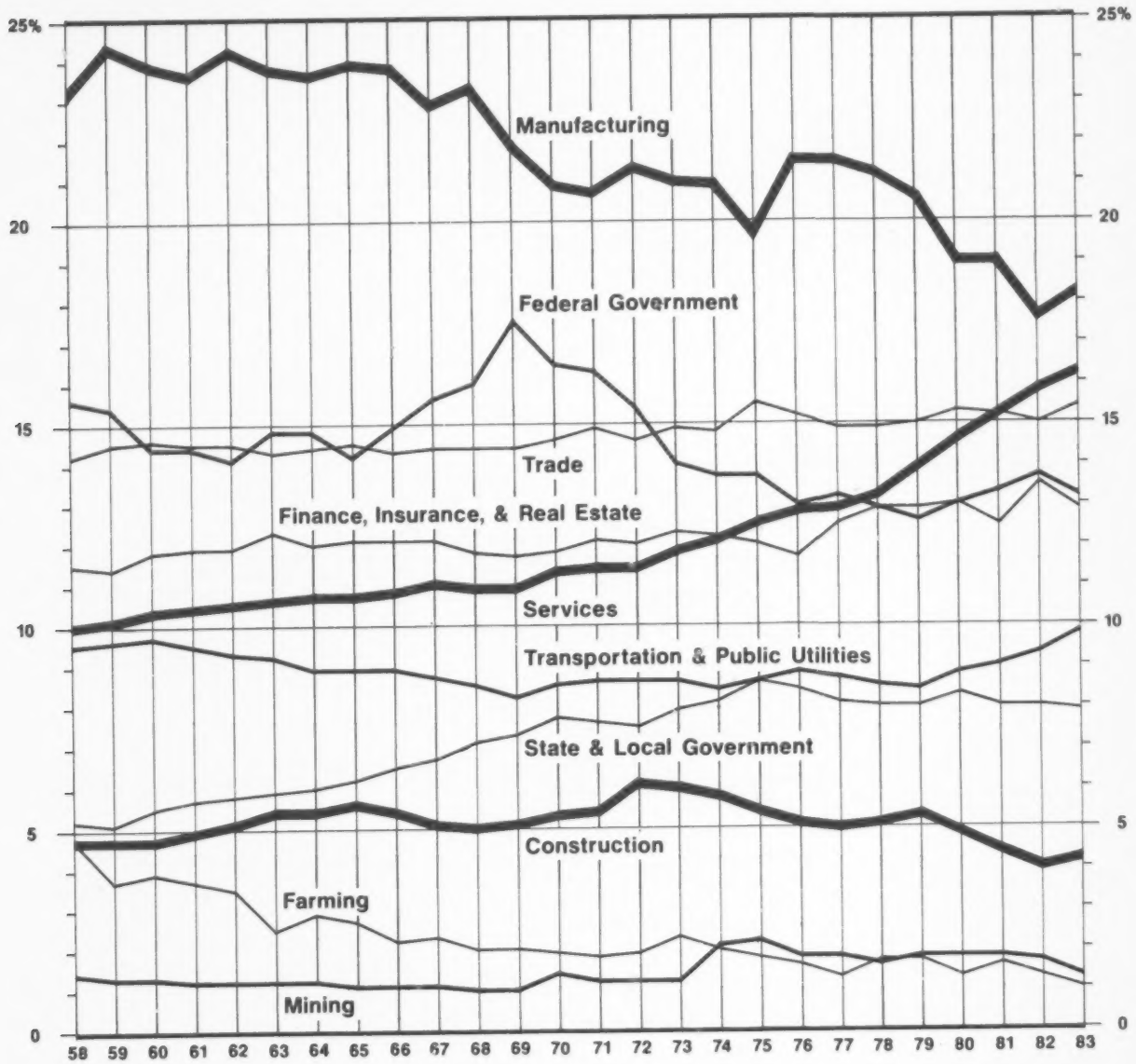


Figure 3.
Industrial Shares of Virginia GSP, 1958-1983 (current dollars)



of 15.5 percent in 1975. Finance, insurance, and real estate also accounted for more than 10.0 percent of current dollar Virginia GSP, rising from 11.4 percent in 1959 to 13.5 percent in 1982. The remaining industrial sectors each account for less than 10.0 percent of current dollar GSP. These sectors are transportation and public utilities with a low of 8.2 percent (1969) and a high of 9.8 percent (1983); state and local government with a low of 5.1 percent (1959) and a high of 8.6 percent (1975); construction with a low of 4.0 percent (1982) and a high of 6.1 percent (1972); mining with a low of 1.0 percent (1968-1969) and a high of 2.2 percent (1975); and farming with a low of 1.0 percent (1983) and a high of 4.7 percent (1958).

Once adjustments are made for inflation, the relative positions of the industrial sectors remain basically the same as when measured in current dollars. Manufacturing, federal government, trade, and services have the largest shares of real Virginia GSP followed by finance, insurance and real estate. Transportation and public utilities, state and local government, construction, farming, and mining each contribute less than 10 percent to real GSP.

In 1972 dollars, the industrial divisions that grew faster than the state annual average of 4.0 percent over the 1958-83 period were services, 5.2 percent; finance, insurance, and real estate, 5.0 percent; transportation and public utilities, 5.0 percent; trade, 4.9 percent; state and local government, 4.7 percent; and manufacturing, 4.5 percent. The slower growing sectors were mining, 3.3 percent; federal government, 1.7 percent; construction, 1.5 percent; and farming, 0.2 percent.

Virginia GSP per capita (current dollars) grew from $2,081 in 1958 to $13,393 in 1983. (See Table 4.) Virginia GSP per capita as a percent of GNP per capita was fairly constant from 1958 to 1968. Then after a substantial gain from 1967 to 1974, GSP per capita remained constant until 1981 when it again began to rise, reaching a peak of 95.0 percent in 1983.

Gross farm product, a component of Virginia gross state product, is derived from the U.S. Department of Agriculture's state farm income statistics for Virginia. This is accomplished by subtracting intermediate production expenses from the value of total farm output. Government payments are omitted from the value of farm output. In addition, farm wages are not included as production expenses and therefore are considered part of gross state product. The following table illustrates the computation of Virginia gross farm product for 1983 (current dollars).

	Millions of Dollars
Value of total farm output	
Cash receipts from marketings	1,439.5
Nonmonetary income	297.0
Other farm income	19.0
Net change in inventories	21.0
Subtotal	1,776.5
Less: Intermediate production expenses	
Feed	263.6
Livestock, purchased	43.8
Seed, plants, and bulbs	41.7
Fertilizer and lime	115.6
Repairs and operations of capital items	248.5
Miscellaneous operating expenses	312.7
Subtotal	1,025.9
Gross farm product	750.6

A detailed statement of the methodology used for all industrial sectors is available upon request.

Table 1.
Virginia Gross State Product in Current Dollars, 1958-1983 (millions of current dollars)

Year	Total	Construction	Farming	Finance, Insurance, and Real Estate	Federal Government	State and Local Government	Manufacturing	Mining	Services[a/]	Trade	Transportation and Public Utilities
1958	8,148.2	380.4	382.6	939.7	1,269.9	425.4	1,891.8	114.5	812.5	1,157.0	774.4
1959	8,843.8	413.6	326.9	1,011.3	1,357.7	453.4	2,147.0	117.9	893.1	1,278.1	844.8
1960	9,035.6	421.8	347.9	1,068.8	1,299.1	494.8	2,156.2	116.1	934.7	1,319.3	877.0
1961	9,437.1	465.3	353.4	1,125.1	1,360.8	536.5	2,228.8	117.9	984.0	1,371.3	894.0
1962	10,204.3	518.1	353.5	1,217.3	1,442.7	593.5	2,471.3	119.4	1,066.7	1,476.8	944.9
1963	10,958.5	593.5	269.9	1,345.3	1,621.8	647.4	2,606.2	131.6	1,166.4	1,568.4	1,008.1
1964	12,047.5	649.7	355.2	1,446.8	1,784.9	721.9	2,847.9	145.1	1,286.4	1,735.3	1,074.4
1965	12,990.3	727.0	353.6	1,567.7	1,843.5	804.9	3,108.4	142.5	1,393.8	1,887.8	1,161.1
1966	14,126.6	768.5	306.9	1,710.5	2,100.3	919.3	3,366.5	154.3	1,524.4	2,022.9	1,253.0
1967	15,133.5	772.9	355.6	1,825.8	2,367.8	1,021.4	3,471.8	160.3	1,659.0	2,176.8	1,322.1
1968	16,863.3	851.3	337.3	1,991.5	2,693.8	1,197.3	3,929.1	169.5	1,834.3	2,434.1	1,425.1
1969	18,689.9	953.8	373.8	2,195.5	3,264.3	1,367.9	4,087.0	178.0	2,042.8	2,696.7	1,530.1
1970	19,925.6	1,057.4	386.5	2,345.7	3,297.1	1,543.1	4,173.9	269.2	2,260.6	2,906.6	1,685.6
1971	21,840.2	1,189.9	383.9	2,642.8	3,558.2	1,670.2	4,516.4	257.2	2,491.5	3,245.8	1,884.3
1972	24,747.4	1,514.9	468.2	2,973.0	3,805.2	1,866.5	5,261.1	286.5	2,824.9	3,617.8	2,129.3
1973	27,695.9	1,651.5	623.2	3,397.8	3,886.2	2,189.3	5,813.3	339.7	3,274.2	4,129.1	2,391.4
1974	30,613.2	1,777.9	627.0	3,736.1	4,184.1	2,467.0	6,388.5	638.2	3,719.3	4,517.7	2,557.3
1975	32,749.8	1,757.1	603.6	3,924.9	4,489.4	2,821.2	6,452.5	710.4	4,099.8	5,061.9	2,829.0
1976	36,997.0	1,881.9	601.5	4,343.9	4,818.5	3,119.1	7,969.5	648.8	4,749.2	5,618.9	3,245.6
1977	41,588.3	2,090.5	558.9	5,214.8	5,489.8	3,351.0	8,940.2	751.4	5,383.1	6,190.0	3,618.6
1978	46,658.2	2,390.8	805.5	6,001.2	6,018.0	3,734.1	9,894.8	741.5	6,144.4	6,943.5	3,984.5
1979	51,454.7	2,724.0	853.1	6,635.7	6,459.3	4,121.5	10,600.9	904.8	7,146.3	7,707.0	4,302.0
1980	55,060.3	2,723.6	696.9	7,163.4	7,176.8	4,556.5	10,461.8	984.9	8,049.6	8,420.2	4,826.6
1981	62,827.1	2,771.0	1,027.8	7,868.7	8,346.3	5,027.8	11,934.1	1,115.9	9,518.9	9,568.4	5,648.3
1982	67,897.4	2,730.6	872.4	9,186.8	9,311.9	5,428.8	11,978.0	1,137.3	10,739.8	10,191.0	6,320.9
1983	74,324.2	3,129.0	750.6	9,569.7	9,824.3	5,852.6	13,545.4	944.7	12,043.2	11,411.9	7,253.0

Sources: **Earnings:** U. S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, 64 (August 1984), pp. 44, 50 (Table 3); U. S. Department of Commerce, Bureau of Economic Analysis, State Personal Income: 1929-82 (Washington: GPO, 1984), pp. 32-33, 192-193 (Table 8); **National Income:** U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, 64 (July 1984), p. 70 (Table 6.3 B), 63 (July 1983), p. 69 (Table 6.3 B), and 62 (July 1982), p. 79 (Table 6.3 B); U. S. Department of Commerce, Bureau of Economic Analysis, The National Income and Product Accounts of the United States, 1926-76 Statistical Tables (Washington: GPO, 1981), pp. 232-233 (Table 6.3 B); **Product Accounts:** Unpublished tabulations from the U. S. Department of Commerce, Bureau of Economic Analysis, National Income and Wealth Division; **Manufacturing Adjustment:** U. S. Department of Commerce, Bureau of the Census, Annual Survey of Manufactures (selected editions); U. S. Department of Commerce, Bureau of the Census, 1977 Census of Manufactures, General Summary, vol. II, pt. 1, p. 3 and vol. III, pt. 2, p. 47-50; **Agriculture:** U. S. Department of Agriculture, Economic Research Service, Economic Indicators of the Farm Sector: State Income and Balance Sheet Statistics, 1983 (Washington: GPO, 1984); Unpublished revisions and historical cost figures from the U. S. Department of Agriculture, Economic Research Division.

a/ Includes agricultural services, forestry and fisheries, and "rest of the world," which includes operations of foreign governments and international organizations in the United States.

Table 2.
Virginia Gross State Product in Constant Dollars, 1958-1983 (millions of 1972 dollars)

Year	Total	Construction	Farming	Finance, Insurance, and Real Estate	Federal Government	State and Local Government	Manufacturing	Mining	Services[a/]	Trade	Transportation and Public Utilities
1958	12,896.0	763.9	511.3	1,406.7	2,830.8	903.1	2,341.3	155.1	1,300.0	1,690.9	992.9
1959	13,684.0	823.9	463.7	1,480.7	2,919.7	934.8	2,602.4	169.1	1,390.0	1,828.8	1,070.8
1960	13,730.7	836.9	496.2	1,531.2	2,757.1	974.0	2,576.1	168.2	1,422.0	1,870.0	1,099.0
1961	14,185.4	903.5	507.0	1,600.4	2,868.5	1,012.2	2,653.3	173.3	1,452.5	1,908.2	1,106.5
1962	15,052.0	977.6	490.3	1,712.1	2,963.6	1,065.6	2,921.2	182.8	1,531.2	2,049.6	1,158.0
1963	15,970.7	1,083.0	386.4	1,842.9	3,139.9	1,122.0	3,147.6	201.2	1,648.8	2,161.9	1,237.0
1964	17,103.3	1,135.8	524.5	1,942.0	3,263.6	1,215.3	3,439.5	207.6	1,748.5	2,325.8	1,300.7
1965	17,954.2	1,205.6	488.2	2,054.6	3,223.5	1,310.9	3,722.6	213.2	1,818.6	2,507.9	1,409.1
1966	18,879.0	1,159.7	377.7	2,162.5	3,493.5	1,414.3	3,960.6	222.6	1,925.9	2,629.8	1,522.5
1967	19,567.7	1,100.9	482.5	2,229.3	3,804.8	1,455.0	3,972.3	233.5	2,017.6	2,697.8	1,573.9
1968	20,719.5	1,172.6	434.3	2,342.9	3,904.7	1,592.1	4,341.5	252.2	2,102.4	2,878.2	1,698.5
1969	21,919.4	1,149.1	446.5	2,512.0	4,478.2	1,693.0	4,413.6	259.0	2,211.4	2,985.6	1,771.0
1970	21,853.1	1,154.4	456.0	2,566.4	4,054.2	1,757.5	4,320.8	296.6	2,301.5	3,079.1	1,866.6
1971	22,723.7	1,286.4	448.7	2,747.2	4,007.5	1,775.0	4,539.1	266.0	2,375.2	3,314.0	1,964.8
1972	24,508.4	1,514.9	468.2	2,973.0	3,805.2	1,866.5	5,261.1	286.5	2,585.9	3,617.8	2,129.3
1973	25,984.0	1,497.3	394.9	3,257.7	3,673.8	2,036.6	5,795.9	287.7	2,772.8	3,952.5	2,315.0
1974	26,353.4	1,369.8	416.0	3,412.0	3,697.6	2,156.5	5,844.9	316.0	2,905.3	3,906.4	2,329.1
1975	25,891.7	1,214.3	458.5	3,412.9	3,666.9	2,256.9	5,216.2	301.9	2,989.8	4,008.9	2,365.4
1976	27,651.0	1,296.1	450.3	3,546.1	3,599.5	2,305.3	6,163.6	296.1	3,206.9	4,265.2	2,521.8
1977	29,258.2	1,326.4	440.7	3,920.9	3,906.4	2,304.7	6,525.7	320.9	3,410.1	4,453.4	2,649.1
1978	30,568.2	1,375.6	500.8	4,116.0	4,005.9	2,415.3	6,814.6	283.8	3,590.1	4,699.0	2,767.0
1979	31,349.6	1,370.9	464.4	4,248.2	4,023.9	2,497.9	6,906.1	341.6	3,792.7	4,830.2	2,873.7
1980	30,985.5	1,187.8	436.4	4,233.7	4,181.8	2,541.3	6,313.7	364.7	3,970.3	4,851.6	2,904.1
1981	32,509.4	1,130.1	609.6	4,257.9	4,334.9	2,582.3	6,670.8	371.7	4,343.4	5,120.4	3,088.2
1982	33,000.5	1,078.9	569.8	4,642.1	4,512.5	2,571.7	6,395.1	354.0	4,545.5	5,211.0	3,119.9
1983	34,404.7	1,202.1	500.5	4,471.8	4,526.3	2,561.3	7,000.2	321.8	4,777.0	5,675.1	3,368.8

Sources: The sources cited in Table 1; U. S. Department of Agriculture, Crop Reporting Board, Statistical Reporting Service, Agricultural Prices Annual Summary, 1983 (Washington: GPO, 1984), p. 7 and earlier summaries; U.S. Department of Agriculture, Agricultural Statistics, 1976 (Washington: GPO, 1977),p. 457.

a/ Includes agricultural services, forestry and fisheries, and "rest of the world," which includes operations of foreign governments and international organizations in the United States.

Table 3.
Industrial Shares of Virginia Gross State Product, 1958-1983 (current dollars)

	Percent of Total Virginia Gross State Product										
Year	Total	Construction	Farming	Finance, Insurance, and Real Estate	Federal Government	State and Local Government	Manufacturing	Mining	Services	Trade	Transportation and Public Utilities
1958	100.0	4.7	4.7	11.5	15.6	5.2	23.2	1.4	10.0	14.2	9.5
1959	100.0	4.7	3.7	11.4	15.4	5.1	24.3	1.3	10.1	14.5	9.6
1960	100.0	4.7	3.9	11.8	14.4	5.5	23.9	1.3	10.3	14.6	9.7
1961	100.0	4.9	3.7	11.9	14.4	5.7	23.6	1.2	10.4	14.5	9.5
1962	100.0	5.1	3.5	11.9	14.1	5.8	24.2	1.2	10.5	14.5	9.3
1963	100.0	5.4	2.5	12.3	14.8	5.9	23.8	1.2	10.6	14.3	9.2
1964	100.0	5.4	2.9	12.0	14.8	6.0	23.6	1.2	10.7	14.4	8.9
1965	100.0	5.6	2.7	12.1	14.2	6.2	23.9	1.1	10.7	14.5	8.9
1966	100.0	5.4	2.2	12.1	14.9	6.5	23.8	1.1	10.8	14.3	8.9
1967	100.0	5.1	2.3	12.1	15.6	6.7	22.9	1.1	11.0	14.4	8.7
1968	100.0	5.0	2.0	11.8	16.0	7.1	23.3	1.0	10.9	14.4	8.5
1969	100.0	5.1	2.0	11.7	17.5	7.3	21.9	1.0	10.9	14.4	8.2
1970	100.0	5.3	1.9	11.8	16.5	7.7	20.9	1.4	11.3	14.6	8.5
1971	100.0	5.4	1.8	12.1	16.3	7.6	20.7	1.2	11.4	14.9	8.6
1972	100.0	6.1	1.9	12.0	15.4	7.5	21.3	1.2	11.4	14.6	8.6
1973	100.0	6.0	2.3	12.3	14.0	7.9	21.0	1.2	11.8	14.9	8.6
1974	100.0	5.8	2.0	12.2	13.7	8.1	20.9	2.1	12.1	14.8	8.4
1975	100.0	5.4	1.8	12.0	13.7	8.6	19.7	2.2	12.5	15.5	8.6
1976	100.0	5.1	1.6	11.7	13.0	8.4	21.5	1.8	12.8	15.2	8.8
1977	100.0	5.0	1.3	12.5	13.2	8.1	21.5	1.8	12.9	14.9	8.7
1978	100.0	5.1	1.7	12.9	12.9	8.0	21.2	1.6	13.2	14.9	8.5
1979	100.0	5.3	1.7	12.9	12.6	8.0	20.6	1.8	13.9	15.0	8.4
1980	100.0	4.9	1.3	13.0	13.0	8.3	19.0	1.8	14.6	15.3	8.8
1981	100.0	4.4	1.6	12.5	13.3	8.0	19.0	1.8	15.2	15.2	9.0
1982	100.0	4.0	1.3	13.5	13.7	8.0	17.6	1.7	15.8	15.0	9.3
1983	100.0	4.2	1.0	12.9	13.2	7.9	18.2	1.3	16.2	15.4	9.8

Table 4.
Virginia GSP Per Capita and GNP Per Capita, 1958-1983
(current and 1972 dollars)

	Current Dollars			1972 Dollars		
Year	Virginia Per Capita	U.S. Per Capita	Virginia as a % of U.S.	Virginia Per Capita	U.S. Per Capita	Virginia as a % of U.S.
1958	2,081	2,582	80.6	3,294	3,907	84.3
1959	2,238	2,755	81.3	3,463	4,075	85.0
1960	2,267	2,815	80.5	3,445	4,097	84.1
1961	2,304	2,867	80.4	3,464	4,136	83.8
1962	2,441	3,042	80.2	3,601	4,309	83.6
1963	2,563	3,167	80.9	3,735	4,418	84.5
1964	2,765	3,338	82.8	3,925	4,587	85.6
1965	2,945	3,572	82.4	4,070	4,804	84.7
1966	3,170	3,867	82.0	4,237	5,038	84.1
1967	3,357	4,051	82.9	4,341	5,125	84.7
1968	3,700	4,382	84.4	4,546	5,309	85.6
1969	4,051	4,690	86.4	4,751	5,403	87.9
1970	4,276	4,871	87.8	4,690	5,327	88.0
1971	4,595	5,210	88.2	4,781	5,427	88.1
1972	5,126	5,667	90.5	5,076	5,667	89.6
1973	5,645	6,276	89.9	5,296	5,935	89.2
1974	6,149	6,723	91.5	5,294	5,842	90.6
1975	6,477	7,190	90.1	5,121	5,716	89.6
1976	7,208	7,897	91.3	5,387	5,967	90.3
1977	7,989	8,729	91.5	5,620	6,233	90.2
1978	8,830	9,743	90.6	5,785	6,477	89.3
1979	9,664	10,766	89.8	5,888	6,588	89.4
1980	10,269	11,585	88.6	5,779	6,493	89.0
1981	11,569	12,897	89.7	5,986	6,593	90.8
1982	12,392	13,249	93.5	6,023	6,389	94.3
1983	13,393	14,091	95.0	6,199	6,544	94.7

Source: Tables 1 and 2 and unpublished July 1st population estimates from the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

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